



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

(A-570-970)

Initiation of Antidumping Duty Changed Circumstances Review: Multilayered Wood Flooring from the People's Republic of China

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce ("the Department") has received information sufficient to warrant initiation of a changed circumstances review ("CCR") of the antidumping duty order on multilayered wood flooring from the People's Republic of China ("PRC"). Based upon a request filed by Sino-Maple (JiangSu) Co., Ltd. ("Sino-Maple"), an exporter of multilayered wood flooring to the United States, the Department is initiating a CCR to determine whether Sino-Maple is the successor-in-interest to Jiafeng Wood (Suzhou) Co., Ltd. ("Jiafeng") for purposes of the antidumping duty order on multilayered wood flooring from PRC and, as such, is entitled to Jiafeng's cash deposit rate with respect to entries of subject merchandise.

DATES: Effective Date: **INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER.**

FOR FURTHER INFORMATION CONTACT: James Martinelli or Charles Riggle, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-2923 or (202) 482-0650, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 23, 2014, Sino-Maple requested that the Department initiate an expedited CCR to confirm that Sino-Maple is the successor-in-interest to Jiafeng for purposes of determining antidumping duty liabilities.¹ On January 16, 2015, Sino-Maple responded to the supplemental questionnaire issued by the Department on January 9, 2015.² On February 4, 2015, the Department extended the time period for determining whether to initiate a CCR by 30 days, until March 8, 2015.³ On February 10, 2015, Sino-Maple responded to the Department's second supplemental questionnaire, which was issued on February 4, 2015.⁴ We received no comments opposing Sino-Maple's request.

Scope of the Order

Multilayered wood flooring is composed of an assembly of two or more layers or plies of wood veneer(s) in combination with a core. The several layers, along with the core, are glued or otherwise bonded together to form a final assembled product. Multilayered wood flooring is often referred to by other terms, e.g., "engineered wood flooring" or "plywood flooring." Regardless of the particular terminology, all products that meet the description set forth herein are intended for inclusion within the definition of subject merchandise.

¹ See Letter from Sino-Maple to the Department regarding, "Multilayered Wood Flooring from the PRC: Request of Sino-Maple (Jiangsu) Co., Ltd. and Jiafeng Wood (Suzhou) Co., Ltd. for Changed Circumstances Review" (December 23, 2014) ("CCR Request").

² See Letter from Sino-Maple to the Department, regarding "Multilayered Wood Flooring from the PRC: Response of Sino-Maple (Jiangsu) Co., Ltd. and Jiafeng Wood (Suzhou) Co., Ltd. to Supplemental Changed Circumstances Review Questionnaire" (January 16, 2015).

³ See Letter from the Department to Sino-Maple "Multilayered Wood Flooring from the People's Republic of China: Request for a Changed Circumstances Review" (February 4, 2015).

⁴ See Letter from Sino-Maple to the Department "Multilayered Wood Flooring from the PRC: Response of Sino-Maple (Jiangsu) Co., Ltd. and Jiafeng Wood (Suzhou) Co., Ltd. to Second Supplemental Changed Circumstances Review Questionnaire" (February 10, 2015) ("Second Supplemental Response").

All multilayered wood flooring is included within the definition of subject merchandise, without regard to: dimension (overall thickness, thickness of face ply, thickness of back ply, thickness of core, and thickness of inner plies; width; and length); wood species used for the face, back and inner veneers; core composition; and face grade. Multilayered wood flooring included within the definition of subject merchandise may be unfinished (i.e., without a finally finished surface to protect the face veneer from wear and tear) or “prefinished” (i.e., a coating applied to the face veneer, including, but not exclusively, oil or oil-modified or water-based polyurethanes, ultra-violet light cured polyurethanes, wax, epoxy-ester finishes, moisture-cured urethanes and acid-curing formaldehyde finishes). The veneers may be also soaked in an acrylic-impregnated finish. All multilayered wood flooring is included within the definition of subject merchandise regardless of whether the face (or back) of the product is smooth, wire brushed, distressed by any method or multiple methods, or hand-scraped. In addition, all multilayered wood flooring is included within the definition of subject merchandise regardless of whether or not it is manufactured with any interlocking or connecting mechanism (for example, tongue-and-groove construction or locking joints). All multilayered wood flooring is included within the definition of the subject merchandise regardless of whether the product meets a particular industry or similar standard.

The core of multilayered wood flooring may be composed of a range of materials, including but not limited to hardwood or softwood veneer, particleboard, medium-density fiberboard, high-density fiberboard (“HDF”), stone and/or plastic composite, or strips of lumber placed edge-to-edge.

Multilayered wood flooring products generally, but not exclusively, may be in the form of a strip, plank, or other geometrical patterns (e.g., circular, hexagonal). All multilayered wood

flooring products are included within this definition regardless of the actual or nominal dimensions or form of the product. Specifically excluded from the scope are cork flooring and bamboo flooring, regardless of whether any of the sub-surface layers of either flooring are made from wood. Also excluded is laminate flooring. Laminate flooring consists of a top wear layer sheet not made of wood, a decorative paper layer, a core-layer of HDF, and a stabilizing bottom layer.

Imports of the subject merchandise are provided for under the following subheadings of the Harmonized Tariff Schedule of the United States (“HTSUS”): 4412.31.0520; 4412.31.0540; 4412.31.0560; 4412.31.2510; 4412.31.2520; 4412.31.4040; 4412.31.4050; 4412.31.4060; 4412.31.4070; 4412.31.5125; 4412.31.5135; 4412.31.5155; 4412.31.5165; 4412.31.3175; 4412.31.6000; 4412.31.9100; 4412.32.0520; 4412.32.0540; 4412.32.0560; 4412.32.2510; 4412.32.2520; 4412.32.3125; 4412.32.3135; 4412.32.3155; 4412.32.3165; 4412.32.3175; 4412.32.3185; 4412.32.5600; 4412.39.1000; 4412.39.3000; 4412.39.4011; 4412.39.4012; 4412.39.4019; 4412.39.4031; 4412.39.4032; 4412.39.4039; 4412.39.4051; 4412.39.4052; 4412.39.4059; 4412.39.4061; 4412.39.4062; 4412.39.4069; 4412.39.5010; 4412.39.5030; 4412.39.5050; 4412.94.1030; 4412.94.1050; 4412.94.3105; 4412.94.3111; 4412.94.3121; 4412.94.3131; 4412.94.3141; 4412.94.3160; 4412.94.3171; 4412.94.4100; 4412.94.5100; 4412.94.6000; 4412.94.7000; 4412.94.8000; 4412.94.9000; 4412.94.9500; 4412.99.0600; 4412.99.1020; 4412.99.1030; 4412.99.1040; 4412.99.3110; 4412.99.3120; 4412.99.3130; 4412.99.3140; 4412.99.3150; 4412.99.3160; 4412.99.3170; 4412.99.4100; 4412.99.5100; 4412.99.5710; 4412.99.6000; 4412.99.7000; 4412.99.8000; 4412.99.9000; 4412.99.9500; 4418.71.2000; 4418.71.9000; 4418.72.2000; 4418.72.9500; and 9801.00.2500.

While HTSUS subheadings are provided for convenience and customs purposes, the written description of the subject merchandise is dispositive.

Initiation of Changed Circumstances Review

Pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (“the Act”) and 19 CFR 351.216(d), the Department will conduct a CCR upon receipt of information concerning, or a request from an interested party for a review of, an antidumping duty order which shows changed circumstances sufficient to warrant a review of the order. The information submitted by Sino-Maple claiming that Sino-Maple is the successor-in-interest to Jiafeng demonstrates changed circumstances sufficient to warrant a review.⁵ Therefore, in accordance with section 751(b)(1) of the Act and 19 CFR 351.216(d), the Department is initiating a CCR to determine whether Sino-Maple is the successor-in-interest to Jiafeng.

In determining whether one company is the successor to another for purposes of applying the antidumping duty law, the Department examines a number of factors including, but not limited to, changes in (1) management, (2) production facilities, (3) suppliers, and (4) customer base.⁶ While no one or several of these factors will necessarily provide a dispositive indication of succession, the Department will generally consider one company to be the successor to another company if its resulting operation is essentially the same as that of its predecessor.⁷ Thus, if the evidence demonstrates that, with respect to the production and sale of the subject

⁵ See 19 CFR 351.216(d).

⁶ See, e.g., Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review: Multilayered Wood Flooring From the People’s Republic of China, 79 FR 48117, 48118 (August 15, 2014), unchanged in Multilayered Wood Flooring From the People’s Republic of China: Final Results of Changed Circumstances Review, 79 FR 58740 (September 30, 2014).

⁷ Id.

merchandise, the new company operates as the same business entity as the prior company, the Department will assign the new company the cash deposit rate of its predecessor.⁸

Based on the information provided in its CCR Request and responses to questionnaires issued by the Department, Sino-Maple has provided sufficient evidence to warrant a review to determine if Sino-Maple is the successor-in-interest to Jiafeng for purposes of the antidumping duty order on multilayered wood flooring from the PRC. However, the Department finds it necessary to issue further questionnaires requesting additional information for this review, as provided for by 19 CFR 351.221(b)(2). For this reason, the Department is not conducting this review on an expedited basis by publishing preliminary results in conjunction with this notice of initiation.

Specifically, the Department intends to issue further questionnaires to Sino-Maple regarding the legal status of its purported predecessor company, Jiafeng. Based on the information provided by Sino-Maple, Jiafeng began a mandatory 180-day liquidation period on December 29, 2014, during which its business license and registration number are suspended.⁹ Upon completion of the mandatory 180-day liquidation period, according to Sino-Maple the liquidation of Jiafeng will be complete and the company will be terminated.¹⁰ At that time, the Department intends to issue a supplemental questionnaire requesting that Sino-Maple submit evidence that Jiafeng's liquidation is complete and that Jiafeng has been terminated.

Therefore, the Department will not publish the preliminary results of this review until after Jiafeng has completed the mandatory 180-day liquidation period. The Department will

⁸ See Notice of Final Results of Changed Circumstances Review: Polychloroprene Rubber from Japan, 69 FR 67890 (November 22, 2004) citing, Brass Sheet and Strip from Canada: Notice of Final Results of Antidumping Duty Administrative Review, 57 FR 20460 (May 13, 1992); and, Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Initiation of Antidumping Duty Changed Circumstance Review, 70 FR 17063 (April 4, 2005).

⁹ See Second Supplemental Response, at 1, 3.

¹⁰ Id. at 1.

publish in the Federal Register a notice of preliminary results of the CCR in accordance with 19 CFR 351.221(b)(4) and 19 CFR 351.221(c)(3)(i). That notice will set forth the factual and legal conclusions upon which our preliminary results are based and a description of any action proposed.

Pursuant to 19 CFR 351.221(b)(4)(ii), interested parties will have an opportunity to comment on the preliminary results of review. In accordance with 19 CFR 351.216(e), the Department intends to issue the final results of its antidumping duty CCR not later than 270 days after the date on which the review was initiated.

This notice is published in accordance with sections 751(b)(1) and 777(i)(1) of the Act and 19 CFR 351.216(b) and 351.221(b)(1).

Dated: March 9, 2015.

Gary Taverman,
Associate Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

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